



Iron and Glass Bank  
Established 1871

March 8, 2004

Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> St. and Constitution Ave., N.W.  
Washington, D.C. 200551

Re: Docket No. R-1181

Dear Ms. Johnson,

I am President and Chief Executive Officer of Iron and Glass Bank, a \$300 million Commercial Bank located in Pittsburgh, Pennsylvania. Our seven branch offices are all located in Allegheny County and serve the financial needs of thousands of customers in Southwestern Pennsylvania.

The purpose of my letter is to express the strong endorsement of our Board of Directors for the regulatory proposal to increase the asset size of banks eligible for the small bank Community Reinvestment Act Examination from \$250 million to \$500 million. This proposal will more accurately reflect the growth of banking institutions since the small bank CRA examination process was instituted.

Our performance record in meeting the needs of those in our market in need of assistance is excellent. For the last several CRA examinations, we have consistently received satisfactory ratings. For the last four years, we have been recognized by the Pittsburgh Community Reinvestment Group with their award as the outstanding small business lender. We would much rather devote our resources to continue these programs, which have been recognized as successful in meeting the communities needs, than on new software programs to comply with the large bank exam requirements.

In our market, we compete with some of the largest banks in the country, with vastly different resources at their disposal to satisfy the large bank exam requirements. To compare our bank with theirs in any regulatory examination process is not realistic.

In conclusion, we endorse your proposal to increase the asset size of banks eligible for the small bank CRA examination and encourage you to allow institutions like ours, which have been successful in providing for the credit needs of our community, to continue to expend our resources as efficiently as possible on that mission.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Michael J. Hagan", is written over a light gray rectangular background.

Michael J. Hagan  
President

MJH:dlm